

ATTORNEYS AND COUNSELORS AT LAW

October 13, 2008

# VIA ELECTRONIC FILING

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COLUMBIA, SOUTH CAROLINA

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Re: Time Warner Cable Information Services' Application to Amend its Certificate of Public Convenience & Necessity to Provide Telephone Services in the Service Area of Farmers Telephone Cooperative, Inc. Docket No. 2008-325-C

Dear Mr. Terreni:

Enclosed for filing please find Time Warner Cable's Motion to Compel Farmers Telephone Cooperative, Inc. to Respond to Discovery Requests, or in the alternative, Motion in Limine. Given the deadlines for submitting testimony in this case, we respectfully request expedited review of this motion. By copy of this letter we are serving the same on interested parties. If you have any questions, please have someone on your staff contact me.

Yours truly,

ROBINSON, McFADDEN & MOORE, P.C.

Frank R. Ellerbe, 111

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In Re: Applic Information S Time Warner Public Conver Telephone Ser	TUTH CAROLINA ation of Time War ervices (South Car Cable to Amend it rience and Necessit rvices in the Service operative, Inc. and	ner Cable olina) LLC, d/b/a s Certificate of y to Provide e Area of Farmers	) BEFORE THE ) PUBLIC SERVICE COMMISSION ) OF SOUTH CAROLINA ) ) COVER SHEET ) ) DOCKET ) NUMBER: 2008-325-C		
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☐ Gas		Certificate	Petition for I	Rulemaking	Response
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☐ Transportation	l	Discovery	Prefiled Tes	timony	Subpoena
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# BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Docket No. 2008-325-C

In Re: Application of Time Warner Cable Information
Services (South Carolina) LLC, d/b/a Time
Warner Cable to Amend its Certificate of Public
Convenience and Necessity to Provide
Telephone Services in the Service Area of
Farmers Telephone Cooperative, Inc. and for
Alternative Regulation

TIME WARNER CABLE'S MOTION TO COMPEL FARMERS TELEPHONE COOPERATIVE, INC. TO RESPOND TO DISCOVERY REQUESTS, OR IN THE ALTERNATIVE, MOTION IN LIMINE

Pursuant to 26 S.C. Regs. 103-829, 103-833, 103-835, and 103-846; Rule 37, SCRCP; and Rule 403, SCRE, Time Warner Cable Information Services (South Carolina) LLC, d/b/a Time Warner Cable ("Time Warner Cable") hereby moves for an order compelling Farmers Telephone Cooperative, Inc. ("Farmers") to respond to Time Warner Cable's discovery requests on an expedited basis, or alternatively, for an order barring Farmers from raising the issues that approval of Time Warner Cable's application would adversely impact the availability of affordable local exchange service or adversely impact the public interest in the proceeding. Time Warner Cable has attempted to resolve this matter without the intervention of the Public Service Commission of South Carolina ("Commission"), but has been unsuccessful; and therefore, files this motion.

# **Motion to Compel Discovery Responses**

On September 12, 2008, Time Warner Cable served Farmers with its First Set of Interrogatories and First Request for Production (collectively "Discovery Requests"). Time

Warner Cable seeks an order compelling Farmers to respond to basic questions and provide certain documents supporting their position in regard to Time Warner Cable's application. On October 2, 2008, Farmers served Time Warner Cable its Answers to First Interrogatories and Response to Request for Production attached as **Exhibits 1 and 2**. Farmers objected to eleven of the sixteen interrogatories, indicated that it had not developed a position in regard to two of the Interrogatories, and provided an incomplete, evasive, and non-responsive answer to one of the Interrogatories. Farmers objected to nine of the thirteen Requests for Production. On October 3, 2008, counsel for Time Warner Cable contacted counsel for Farmers' by letter via email in an attempt to resolve the discovery dispute. See attached **Exhibit 3**.

Farmers objected to most of the discovery on the basis that the information sought was not relevant as to whether Time Warner Cable met the statutory requirements to provide service in its area. The financial information and documents requested by Time Warner Cable in its Discovery Requests are relevant if Farmers contends that Time Warner Cable's application should be denied because the financial impact on Farmers would adversely impact the availability of affordable local exchange service. Farmers indicated in its petition to intervene that it "has not yet fully developed a position with respect to this proceeding." See Farmer's Petition to Intervene, ¶ 4. In Farmers' answers to Interrogatory Nos. 1-4, and 1-5, Farmers again states that it has not yet fully developed a position regarding (1) whether Time Warner Cable's service would have an adverse impact on the affordability of local telephone service with the service area of Farmers and (2) whether Farmers would lose revenue from competition with Time Warner Cable.

<sup>&</sup>lt;sup>1</sup> Objected to Interrogatory Nos. 1-1, 1-2, 1-4, 1-7, 1-8, 1-9, 1-10, 1-11, 1-12, 1-13, 1-14. Not developed a position on Interrogatory Nos. 1-5 and 1-6.

Non-Responsive answer to Interrogatory No. 1-15.

<sup>&</sup>lt;sup>2</sup> Objected to Request Nos. 1-2, 1-3, 1-4, 1-5, 1-8, 1-9, 1-11, 1-12, 1-13.

Since this is the second application that Time Warner Cable has filed for authority to provide service in Farmers' service area, Farmers' contention that it does not know its position is not credible. During the first hearing in Docket No. 2004-280-C, H. Keith Oliver testified on behalf of Farmers. (March 31, 2005, Hearing Transcript, Docket No. 2004-280-C ["2005 Transcript"], p. 181.) Mr. Oliver requested that the Commission deny Time Warner Cable's request to expand its certificated authority to provide service in Farmers' service area "because it is not in the public interest and because of its adverse impact on the availability of affordable local exchange service...." (2005 Transcript, p. 181). Time Warner Cable is clearly entitled to know whether Farmers intends to maintain this position in the present proceeding.

The Interrogatories and Requests for Production related to the company's financial condition are clearly relevant to the financial impact that Time Warner Cable's provision of service may have on Farmers. The Discovery Requests related to Farmers' affiliates are relevant to determine whether the affiliates are providing competitive broadband, cable or video services to clients and whether Farmers is subsidizing the non-regulated activities of its affiliates.

The Commission's regulations require a party to indicate its position in a proceeding. 26 S.C. Regs. 103-825(A)(3). Farmers' refusal to respond to the Interrogatories related to its position and the financial impact of the application on Farmers is prejudicial to Time Warner Cable. It deprives Time Warner Cable's expert witness of any meaningful opportunity to review Farmers' financial situation and prepare his testimony concerning the potential impact of the application. Time Warner Cable requests that the Commission issue an order overruling Farmers' objections and requiring Farmers to respond to Time Warner Cable's discovery requests on an expedited basis so that its expert witness will have adequate time to analyze the information.

# Alternatively, Motion in Limine

In the alternative, should Farmers fail to provide the answers and documents requested within five days, Time Warner Cable moves for an order barring Farmers from introducing any evidence in regard to whether Time Warner Cable's application would adversely impact the availability of affordable local exchange service or the public interest in its service area. The Commission's regulations provide that the rules of evidence applied in civil cases in the Court of Common Pleas shall be followed by the Commission. 26 S.C. Regs. 103-846. Rule 403, SCRE, provides that "[a]lthough relevant, evidence may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury, or by considerations of undue delay, waste of time, or needless presentation of cumulative evidence."

In order to present a full and complete case, Time Warner Cable is entitled to know Farmers' position so it can fully prepare and develop its case. The South Carolina Supreme Court has held that it is inexcusable for a party to fail to provide certain information pretrial. *Morgan v. Carolina Door Products, Inc.*, 281 S.C. 423, 426-27, 315 S.E. 2d 119, 120-21 (Sup. Ct. 1984). To allow Farmers to allege that granting Time Warner Cable's application would damage Farmers' financial status and adversely impact local service in Farmers' territory without providing information on its financial condition and relationships with its affiliates would unfairly prejudice Time Warner Cable. Should Farmers fail to provide the requested information, Time Warner Cable moves that Farmers not be allowed to present any evidence of a potential adverse impact on the availability of local service in its area.

WHEREFORE, Time Warner Cable moves for an order compelling Farmers to completely respond to its First Set of Interrogatories and First Requests for Production within

five days along with such other relief as the Commission may deem proper. In the alternative, Time Warner Cable moves that Farmers not be allowed to present any evidence of a potential adverse impact on the availability of local service in its area.

Dated this 13 day of October, 2008.

ROBINSON, MCFADDEN & MOORE, P.C.

By

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Attorneys for Time Warner Cable Information Services, (South Carolina), LLC

# **EXHIBIT 1**

# **BEFORE**

# THE PUBLIC SERVICE COMMISSION OF

# **SOUTH CAROLINA**

Docket No. 2008-325-C

IN RE:	Application of Time Warner Cable Information		
	Services (South Carolina), LLC, d/b/a Time	)	
	Warner Cable to Amend its Certificate of Public	)	
	Convenience and Necessity to Provide	)	
	Telephone Services in the Service Area of	)	
	Farmers Telephone Cooperative, Inc. and for	)	
	Alternative Regulation	)	
		)	

# FARMERS TELEPHONE COOPERATIVE, INC.'S ANSWERS TO TIME WARNER CABLE INFORMATION SERVICES' 1<sup>ST</sup> SET OF INTERROGATORIES

Farmers Telephone Cooperative, Inc. ("Farmers"), by and through its undersigned counsel, hereby submits the within responses to the First Set of Interrogatories of Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner").

# **INTERROGATORY NO. 1-1**

List and identify FTC's affiliations with any other corporation, subsidiary corporation or companies. For each, provide the following information:

- a. legal name,
- b. date of incorporation or formation,
- c. percentage of ownership by FTC,
- d. officers and directors,

- e. principal place of business and/or primary address,
- f. type of services provided.

#### ANSWER:

Farmers objects to this Interrogatory on the grounds that Farmers' affiliations with other corporations, subsidiary corporations or companies is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

#### **INTERROGATORY NO. 1-2**

List all affiliated entities that are authorized to provide competitive local exchange services in South Carolina. For each entity, list the areas where service is being provided.

#### ANSWER:

Farmers objects to this Interrogatory on the basis that any authorization of Farmers' affiliates to provide competitive local exchange services in South Carolina is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

#### **INTERROGATORY NO. 1-3**

Identify all exhibits, charts, documents or other items which you intend to introduce at the hearing in this matter.

#### ANSWER:

At this time, Farmers has not created or identified any exhibits, charts, documents or other items which it intends to introduce at the hearing in this matter. Any such exhibits, charts, documents or other items which Farmers intends to use at the hearing will be provided when they are known.

Do you contend that Time Warner Cable's service would have an adverse impact on the affordability of local telephone service within the service area of FTC? If so,

- a. state with specificity each fact or reason supporting such contention;
- b. identify all witnesses who will testify about such fact or reason, and
- c. identify all documents concerning or related to such contention.

#### **ANSWER:**

Farmers has not yet fully developed a position regarding whether Time Warner's service would have an adverse impact on the affordability of local telephone service within the service area of Farmers and, therefore, does not so contend at this time.

# **INTERROGATORY NO. 1-5**

Do you contend that FTC would lose revenue from competition with Time Warner Cable resulting in increases in rates to rural subscribers? If so,

- a. state with specificity each fact or reason supporting such contention;
- b. identify all witnesses who will testify about such facto or reason, and
- c. identify all documents concerning or related to such contention.

#### ANSWER:

Farmers has not yet fully developed a position regarding whether Farmers would lose revenue from competition with Time Warner resulting in increases in rates to rural subscribers and, therefore, does not so contend at this time.

State specifically the total capital credits distributed to members for each of the past five years per year and your projected distributions for the next two years.

#### ANSWER:

Farmers objects to this Interrogatory on the grounds that capital credits distributed to members and projected distributions are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Furthermore, Farmers objects to this Interrogatory on the grounds that capital credit distributions constitute confidential business and commercial information.

Notwithstanding the above objections, Farmers notes that it does not perform projections of capital credit distributions.

#### INTERROGATORY NO. 1-7

State FTC's net income for each of the past five years.

# **ANSWER:**

Farmers objects to this Interrogatory on the grounds that Farmers' net income over the past five years is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers is producing Annual Reports that have been filed with the Public Service Commission of South Carolina ("Commission") for each of the past five years in response to Request for Production No. 1-3.

List the areas in which FTC or an affiliated company provides video and/or cable television services. For each area, list the date FTC or an affiliated company began providing video and/or cable television services.

#### ANSWER:

Farmers objects to this Interrogatory on the grounds that whether or not Farmers or its affiliates provide video and/or cable television services, and the areas in which such service are provided, is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

# **INTERROGATORY NO. 1-9**

Provide a diagram illustrating FTC's corporate structure and organization.

# ANSWER:

Farmers objects to this Interrogatory on the grounds that Farmers' corporate structure and organization are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers is a telephone cooperative and is a South Carolina corporation, organized and doing business under the laws of the State of South Carolina and doing business since 1952. Farmers is an incumbent local exchange carrier as defined in 47 U.S.C. § 251(h), and a rural telephone company as defined in 47 U.S.C. § 153(37).

Please describe any VoIP services provided by FTC or an affiliated entity.

#### **ANSWER:**

Farmers objects to this Interrogatory on the grounds that whether or not Farmers or its affiliates provide VoIP services is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

# **INTERROGATORY NO. 1-11**

Please list the total annual amount of funds the Company received from the Federal Universal Service Fund for each year from 2002 through 2007.

# ANSWER:

Farmers objects to this Interrogatory on the grounds that whether or not Farmers receives distributions from the federal Universal Service Fund, and the amount thereof, is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, projections of high-cost federal USF amounts by company are available at <a href="www.usac.org">www.usac.org</a>.

Please list the total annual amount of funds the Company received from the S.C.

Universal Service Fund for each year from 2002 through 2007.

# ANSWER:

Farmers objects to this Interrogatory on the grounds that whether or not Farmers receives distributions from the State Universal Service Fund, and the amount thereof, is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers received the following amounts from the State USF:

2002	\$ 1,176,495
2003	\$ 2,526,312
2004	\$ 4,016,705
2005	\$ 4,403,658
2006	\$ 4,395,519
2007	\$ 4,555,699

# **INTERROGATORY NO. 1-13**

Describe how the Company's operations expenses have varied over the last three fiscal years.

#### ANSWER:

Farmers objects to this Interrogatory on the grounds that Farmers' operations expenses, and how they may or may not have varied, is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers' publicly available Telecommunications Company Annual Reports for the past five (5) years are being produced in response to Time Warner's First Request for Production No. 1-3.

Describe how the Company's operating revenue has varied over the last three fiscal years.

# **ANSWER:**

Farmers objects to this Interrogatory on the grounds that Farmers' operating revenue, and how it may or may not have varied, is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers' publicly available Telecommunications Company Annual Reports for the past five (5) years are being produced in response to Time Warner's First Request for Production No. 1-3.

# **INTERROGATORY NO. 1-15**

Would the availability of more than one telephone service provider in the Company's local service area benefit consumers? If the response above is anything other than an unqualified yes, explain why telephone service competition would not benefit customers.

#### ANSWER:

The response to this question is not a simple yes or no, but depends on a variety of factors, each of which the Public Service Commission must carefully weigh in determining whether it is in the public interest to grant a certificate of public convenience and necessity to Time Warner to provide service in Farmers' area.

Do you contend that Time Warner Cable has provided telephone services within the Company's service area without certification from the Commission? If so, provide the basis for your contention.

#### ANSWER:

Farmers does not know whether Time Warner has provided telephone services within Farmers' service area without certification from the Commission and, therefore, does not have any basis for making such a contention at this time.

Respectfully submitted,

By: Maeguet lle Jay M. John Bowen Jr.

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ATTORNEYS FOR FARMERS TELEPHONE COOPERATIVE, INC.

Columbia, South Carolina

October 2, 2008

# **EXHIBIT 2**

# **BEFORE**

# THE PUBLIC SERVICE COMMISSION OF

# **SOUTH CAROLINA**

Docket No. 2008-325-C

IN RE:	Application of Time Warner Cable Information			
	Services (South Carolina), LLC, d/b/a Time			
	Warner Cable to Amend its Certificate of Public	)		
	Convenience and Necessity to Provide	)		
	Telephone Services in the Service Area of	)		
	Farmers Telephone Cooperative, Inc. and for	)		
	Alternative Regulation	)		
	·	_)		

# FARMERS TELEPHONE COOPERATIVE, INC.'S RESPONSE TO TIME WARNER CABLE INFORMATION SERVICES' 1<sup>ST</sup> REQUEST FOR PRODUCTION

Farmers Telephone Cooperative, Inc. ("Farmers"), by and through its undersigned counsel, hereby submits the within responses to the First Request for Production of Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner").

# **REQUEST NO. 1-1.**

All documents, writing, exhibits listed in or used in the preparation of FTC's Answers to Time Warner Cable's First Set of Interrogatories.

# **RESPONSE:**

None.

Copies of FTC's financial statements for the last five years.

# **RESPONSE:**

Farmers objects to the production of its financial statements on the grounds that Farmers' financial statements are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Additionally, Farmers objects on the grounds that its financial statements constitute proprietary, confidential business and commercial information.

Notwithstanding the above objections, Farmers' publicly available Telecommunications Company Annual Reports for the past five (5) years are being produced in response to Time Warner's First Request for Production No. 1-3.

# **REQUEST NO. 1-3**

Copies of FTC's Annual Reports filed with the Public Service Commission or Office of Regulatory Staff for the last five years.

# **RESPONSE:**

Farmers objects to the production of its Annual Reports on the grounds that Farmers' Annual Reports are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, see attached Annual Reports.

Provide a copy of your annual reports filed with the FCC and/or the United States

Department of Agriculture - Rural Utilities Service for each of the last three years.

# **RESPONSE:**

Farmers objects to the production of any annual reports filed with the FCC and/or the United States Department of Agriculture – Rural Utilities Service, on the grounds that any such reports are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Notwithstanding the above objection, Farmers responds that there is no such thing as an annual report filed with the FCC.

# **REQUEST NO. 1-5**

Provide a copy of all reports filed with the USAC and NECA for the last three years.

#### **RESPONSE:**

Farmers objects to the production of all reports filed with the USAC and NECA for the past three years on the grounds that such reports are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Additionally, Farmers objects to this request as being overbroad and burdensome, and on the basis that it requests confidential business and commercial information.

Provide a copy of all 10-Q reports filed by your company and/or its affiliates with the Securities and Exchange Commission (SEC) for the years 2006, 2007 and 2008.

# **RESPONSE:**

Farmers is not a publicly-traded company and, therefore, does not file 10-Q reports with the Securities and Exchange Commission.

# **REQUEST NO. 1-7**

Provide a copy of all 10-K reports filed by your company and/or its affiliates with the Securities and Exchange Commission (SEC) for the years 2006, 2007 and 2008.

# **RESPONSE:**

Farmers is not a publicly-traded company and, therefore, does not file 10-K reports with the Securities and Exchange Commission.

Provide copies of any financial projections prepared by or for you in the last three years including associated detail and data.

# **RESPONSE:**

Farmers objects to the production of "financial projections" on the grounds that any such projections are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Additionally, Farmers objects on the grounds that the request for "financial projections" is vague and overbroad, and that any such projections would constitute trade secret information and proprietary and confidential business and commercial information.

# **REQUEST NO. 1-9**

Provide a copy of your FCC Form 499-A (Telecommunications Reporting Worksheet) for the last three years.

# **RESPONSE:**

Farmers objects to the production of FCC Form 499-A information on the grounds that the information contained on such forms is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Additionally, companies generally file such information with the FCC on a confidential basis. The United States District Court for the District of Columbia recently recognized that similar information filed by companies on a confidential basis with the Federal Communications Commission is exempt from the federal Freedom of Information Act. See Center for Public Integrity v. Federal Communications Commission, 505 F. Supp. 2d 106 (D.D.C. 2007) (finding that certain broadband information reported on a confidential basis on the FCC's Form 477 was exempt from disclosure).

Provide a copy of your Financial and Statistical Reports on RUS form 497 for the last three years.

# **RESPONSE:**

Farmers is not aware of an RUS Form 497.

# **REQUEST NO. 1-11**

Produce a copy of all disclosures your company has made to investors, stockholders or board members regarding the potential impact of competition.

# **RESPONSE:**

Farmers objects to this request on the grounds that disclosures made by Farmers to its investors, stockholders, or board members regarding the potential impact of competition are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Furthermore, such disclosures are speculative, and constitute proprietary business information and/or privileged communications.

Produce all documents filed at either the South Carolina Public Service Commission or the FCC explaining your views of the onset of competition in rural areas of South Carolina.

# **RESPONSE:**

Farmers objects to this request on the grounds that it is not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Furthermore, the request is vague and overbroad, as well as burdensome. Farmers does not keep such documents in any organized form. Any such documents would have been filed in a public forum, and Time Warner can identify and access them as easily as Farmers can.

# **REQUEST NO. 1-13**

Copies of tariff pages for FTC related to the provision of VoIP services.

#### **RESPONSE:**

Farmers objects to the production of tariff pages related to the provision of VoIP services on the grounds that any such tariff pages, and the provision of any VoIP services by Farmers, are not relevant to the issue in this case, namely whether Time Warner Cable Information Services (South Carolina), LLC, d/b/a Time Warner Cable ("Time Warner") meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services in Farmers' service area.

Respectfully submitted,

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ATTORNEYS FOR FARMERS TELEPHONE COOPERATIVE, INC.

Columbia, South Carolina

October 2, 2008

# **EXHIBIT 3**





COLUMBIA, SOUTH CAROLINA

Frank R. Ellerbe, III

October 3, 2008

**VIA EMAIL** 

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Time Warner Cable Information Services Applications, Docket Nos. 2008-325-C, 2008-326-C, 2008-327-C, 2008-328-C, 2008-329-C, and 2008-330-C.

# Dear John and Peg:

I have reviewed your discovery responses today. You have objected to many of our requests for your clients' financial information on the ground that what we requested is not relevant to "the issue in this case, namely whether [TWCIS] meets the statutory requirements to be awarded a certificate of public convenience and necessity to provide certain services..." in your clients' service areas. I don't think that objection is well founded given the position your clients are taking in these cases. In interrogatory 4 we asked specifically whether you contend that Time Warner Cable's service would have an adverse impact on the affordability of local service in your clients' service areas. Your response for each of your clients is that you have not yet formulated a position on that issue. We asked a similar question and received a similar response in interrogatory 5. In response to interrogatory 15 you assert that there are a variety of factors which the Commission must weigh in determining whether the public interest would be served by granting the applications.

Our discovery requests were intended to determine whether your clients would contend that our applications should be denied because the financial impact on your clients would threaten the affordability of basic local service. You have refused to state whether you will make that contention. If your clients do make such a contention they will be putting their financial condition at issue in these cases and the financial information we have requested will clearly be relevant and discoverable. Since you are leaving the door open to raise issues concerning the impact of the applications on your

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clients' financial condition, we are entitled to the discovery we have requested.

The reason I am writing is to attempt to quickly resolve our disagreement on the scope of discovery. Unless we know that no issue concerning impacts on your clients' financial condition will be addressed in the hearing, we will have to prepare to deal with those issues and we will have to have the information we have requested. Accordingly, I intend to file a motion to compel next week and ask for expedited treatment of it by the Commission. If you would like to attempt to resolve the matter please let me know as soon as you can.

I have not addressed confidentiality issues. If we can address the underlying disagreement I am sure that we can reach agreement on a confidentiality agreement as we have in previous cases.

Yours truly,

ROBINSON, MCFADDEN & MOORE, P.C.

Frank R. Ellerbe, III

FRE/ila

Enclosures

cc: Nanette S. Edwards, Esq. (email)
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